

**MINUTES OF THE
ONE THOUSANDTH THREE HUNDREDTH AND SIXTY SIXTH MEETING
ELECTRIC POWER BOARD OF THE METROPOLITAN
GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
HELD JULY 23, 2025**

The regular meeting of the Electric Power Board was held on Wednesday, July 23, 2025.

Members present: Clifton Harris; Casey Santos, and Board Chair Michael Vandenberg; Anne Davis attended virtually

Officers present: Teresa Broyles-Aplin, David Frankenberg, Laura Smith, Dr. Trish Holliday and Brent Baker

Board Chair Michael Vandenberg called the meeting to order at 8:04 a.m.

SAFETY TIP

Brad Heck presented a safety tip on Pedestrian Safety and outlined the responsibilities of drivers and pedestrians.

INTRODUCTION OF NES INTERNS

Dr. Trish Holliday introduced the incoming NES interns and provided information regarding the internship’s learning objectives and how it fits into broader career development goals.

PUBLIC COMMENT PERIOD

David Frankenberg informed the Board that there were no public comment requests for the month of July.

COMMITTEE REPORT

Legal Committee

Chair Vandenberg reported that the Legal Committee met this morning and received a Quarterly Legal Report.

RECOMMENDATION FOR APPROVAL OF THE JUNE 25, 2025, ELECTRIC POWER BOARD MINUTES

Upon motion by Member Santos and seconded by Member Harris the Board approved the June 25, 2025, Electric Power Board minutes with four ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF A NEW LEASE WITH ENBRIGHT CREDIT UNION

Laura Smith reported that in 1951, a group of NES employees established what was then known as the Electric Service Credit Union to support their colleagues and their families. The institution, now called Enbright Credit Union, broadened its membership eligibility in 2008 to include anyone living or working in Davidson or Sumner County. This expansion was followed by the opening of two additional branches in Donelson and Hendersonville.

Ms. Smith stated that Enbright’s transition to a community credit union led NES to reassess the terms under which Enbright occupied NES property. In 2015, the two parties formalized a five-year lease based on market rates. By 2020, they agreed to a reduced rate in exchange for NES installing bill payment kiosks at Enbright’s Donelson and Hendersonville branches. Currently, Management and Enbright have agreed, pending Board approval, to a new five-year lease at \$1,663.77 per month. She stated that this rate reflects market increases while preserving a discount due to continued NES kiosk usage. The lease includes provisions for further discounts should NES revive its remote teller services at these locations.

Management recommended approval of a five-year lease at a monthly amount of \$1,663.77 per month with Enbright Credit Union for its use of space in the NES main building.

Upon motion by Member Harris and seconded by Member Santos, the Board approved the new five-year lease with Enbright Credit Union for its use of space in the NES main building in the amount of \$1,663.77 per month with four ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF AN AMENDMENT TO CONTRACT WITH IVOX SOLUTIONS

Sonya Pullens stated that NES partnered with iVox Solutions in April 2024 under a two-year contract to help manage excess call volume. The agreement was awarded through a standard RFP process and received approval by the Power Board in December 2023. Initially valued at \$2.04 million, a later review revealed that the original figure was based on outdated call-volume assumptions from the prior Cooperative Response Center agreement. Management therefore proposed to increase the contract amount by \$5.8 million, bringing the total authorized amount to \$7.8 million. This amendment ensures sufficient funding through the contract's end in March 2029.

Chair Vandenberg remarked that he did not interpret this as a sign of customer dissatisfaction with NES, but rather a matter of how incoming calls are being managed. He questioned the underlying reasons for the increased spending on call response.

Ms. Pullens responded that this contract would be beneficial during high volume times and would allow service advisors to answer the calls by service levels.

Upon motion by Member Harris and seconded by Member Santos, the Board approved the Amendment to the iVox Solutions contract for a not-to-exceed amount of \$7.8 million, bringing the total authorized amount to \$5.8 million.

RECOMMENDATION FOR APPROVAL OF PURCHASES

Mr. Frankenberg stated that in addition to the \$5.8 million item that was approved separately, he presented Management's recommendation for approval of a list of purchases and contracts (greater than \$50,000) in the amount of \$5,800,000. This included \$1.6 million of purchases and contract additions throughout the month that were between the \$50,000 and \$250,000 threshold that were approved by Management.

Upon motion by Member Santos and seconded by Member Harris, the Board approved the list of purchases and contracts with four ayes and zero nays. This list consists of four pages and has been attested to on each page by the signature of the Secretary and is attached hereto as "Appendix A"¹ to these minutes. Total cost of purchases and contracts, as approved, amounts to \$5,800,000.

FINANCIAL REPORT

David Frankenberg acknowledged the end of the fiscal year and noted that financial performance stayed consistent with the budget throughout the year. Mr. Frankenberg stated that as of June 30, 2025, operating revenues were \$1.6 billion, offset by purchased power of \$1.1 billion, resulting in a sales margin of approximately \$472 million. He reported that it was favorable to budget by \$39 million, although the month itself was slightly unfavorable with the correction of the prior year true-up. Overall, throughout the full year sale volumes were higher due to customer growth and sales demand.

On the expense side, operating expenses were positive by approximately \$276 million excluding purchased power and was slightly unfavorable to budget. He said the largest driver was retirement costs related to the pension Cost of Living Adjustment (COLA) which was offset with good market returns, favorable assumptions with the latest Other Post-Employment Benefit actuarial analysis, lighter than expected tree trimming volume, and across the board savings in IT. He indicated that the recoveries were attributed to two sources which included a large NES customer and the other was related to FEMA settlements.

There was a net gain of approximately \$36 million favorable to budget and cash on hand was \$494 million which allows for 129 days of operating cash. Mr. Frankenberg noted that Capital expenditures were lower than projected totaling \$212 million versus the budgeted \$255 million and was primarily attributed to Encompass favorability.

¹ Appendix A Electronically Filed

Chair Vandenberg asked how much of the increase in electricity demand is driven by growth of the population in Nashville and inquired if there have been any signals about future demand. Mr. Frankenberg explained that the figures referred to actuals versus budget. He reported a 3% favorable variance in volume and approximately a 2.5% increase in residential customer growth, indicating that the positive variance was primarily due to these two factors.

Chair Vandenberg asked whether this indicates that customer growth in Nashville is exceeding budget expectations, and if this reflects an emerging trend. Mr. Frankenberg replied that NES continues to see customer growth above 2% but noted that this growth has not resulted in a proportional 3% increase in margin.

Teresa Broyles-Aplin pointed out that even though customer growth, reflected in building permits and similar signs, seemed strong when budgeting for revenue a few years ago, better construction standards and energy efficiency have meant that revenue has not increased at the same pace.

REPORT ON SUPPLIER DIVERSITY PROGRAM

Amy McGlother reported that total Supplier Diversity payments for the fourth quarter of FY2025 totaled \$18,714,611 which represents twenty-one percent of the total spend. Payments to Supplier Diversity Program businesses increased by \$7,412,281, which represents an increase of approximately 10%. The total supplier diversity spend for the fourth quarter of FY2025 included purchases of goods and services from 126 diverse business enterprises. Ms. McGlother stated that the overall supplier diversity spend goal, and the minority spend goal, were both met for the quarter. She noted that a detailed report was provided in the board materials.

QUARTERLY REPORT ON COMMUNITY INVOLVEMENT AND ECONOMIC DEVELOPMENT

In her Q4 FY2025 report, Laura Smith shared that NES contributed \$18,000 to community involvement efforts, supporting seven local organizations. She also noted a \$54,918 economic development payment to Partnership 2030 and highlighted the Board-approved \$1,000,000 contribution to Needlink Nashville to assist with customer bill support. This brought the total for the quarter to \$1,072,918.00. She reminded the Board that the funds are generated from non-electric revenues.

Member Santos asked if any of the organizations are new relationships. Ms. Smith responded that all of the items listed for this quarter are continuing relationships. She further explained that most contributions are aligned with the leadership roles NES employees hold within these organizations.

LED STREETLIGHT PROJECT UPDATE

Vaughan Charles, along with Joey Streisel, provided an update on the LED Conversion Project, detailing the progress made since the previous report. Mr. Charles stated that it has been a collaborative effort with NDOT and PATH Company and progress is being made ahead of schedule.

Noting the project’s early progress, Chair Vandenberg asked what was contributing to its success. Mr. Charles replied that by not knowing what to expect going into the project there was a conservative approach to the timeline.

Member Santos asked about the cause of higher productivity in some months compared to others. Mr. Charles explained that productivity was lower in certain months due to crew involvement in storm restoration efforts.

Mr. Charles noted that between January 2024 and June 2025, a total of 29,655 locations were completed, accounting for roughly 52.7% of the overall LED Conversion Project. He presented the project’s current financial status, while Mr. Streisel discussed the cost savings achieved by the City of Nashville thus far.

Member Davis expressed appreciation for the work that has gone into the project, noting that it represents a significant benefit to the city, its citizens, and NES ratepayers.

PRESIDENT’S REPORT

Teresa Broyles-Aplin delivered the President’s Report, highlighting the customer relations milestones for June, the staff’s involvement in community projects, and conferences attended by NES team members.

During the Tennessee Municipal Electric Power Association Annual Conference held July 9-11 in Nashville, Brent Baker delivered a presentation *NES Vision to Action: Igniting Purpose, Driving Results*. Teresa Broyles-Aplin contributed to a CEO panel discussion titled “*Challenges and Opportunities*” and Dr. Trish Holliday facilitated the Customer Engagement Panel, during which two NES employees received major awards.

- Leonard Leech was honored with the Public Power Employee of the Year Award for his extraordinary 60-year career in public power, marked by transformational contributions to NES and a lasting impact on both the industry and the community.
- Laura Smith received the Power of Excellence Award for her outstanding leadership, dedication to public service, and commitment to strengthening her community.

Ms. Broyles-Aplin pointed out that twenty NES volunteers, consisting of vice presidents, managers, and graduates from NES’s Emerging Leaders Institute, contributed to a Habitat for Humanity build on July 17.

As part of her ongoing engagements, Ms. Broyles-Aplin noted her guest appearance on *Urban League Live*, hosted by Member Harris.

MISCELLANEOUS

There were no miscellaneous items to report.

RECESS AND RECONVENE


At this point, the Board recessed and reconvened to ratify the actions taken by the Civil Service Board.

Upon motion by Member Harris and seconded by Member Santos, the Board ratified the actions taken during the Civil Service Board meeting with four ayes and zero nays.

ADJOURNMENT

The meeting adjourned at 9:06 a.m.

Attest:

Signed by:

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Secretary

Approved,

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Board Chair

July 23, 2025

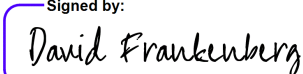
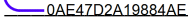
Appendix “A”

Recommendation of Purchases and Contracts
at the Meeting on Wednesday July 23, 2025

Management recommends Board approval
of the following purchases and contracts:

Total Materials and Supplies Purchases	\$2,274,742.00
Total Contracts and Services	\$1,326,458.00
Total Additions, Extensions, and Changes	\$576,358.00
Total Ratified Purchases and Contracts	\$1,595,622.50
TOTAL	\$5,773,180.50
Total Line Items	\$5,800,000.00

<u>Ethnic/Gender/Size</u>	<u>Amount</u>
African American, male, small	\$21,000.00
Caucasian, female, large	\$2,389,094.00
Caucasian, male, small	\$148,000.00
Supplier Diversity Program Total	\$2,558,094.00
Note: Vendors not otherwise indicated are not part of the NES Supplier Diversity Program.	

Signed by: 
Attested by: _____
David Frankenberg, Secretary

All above items have been processed in accordance with Board approved policy and applicable rules and regulations.

July 23, 2025

MATERIALS AND SUPPLIES PURCHASES

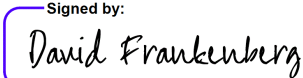
<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Cable, Copper, 15 KV EPR 150 W/TS 1C 3CT (8,000 circuit ft.)	City Electric Supply <i>Caucasian, female, large</i>	\$757,776.00	Competitive	3/6
Pole, Steel, Galvanized, H3, 60 ft., 0243 FT-KIPS (120)	MD Henry Co., Inc. <i>Caucasian, female, large</i>	587,040.00	Competitive	6/8
Pole, Steel, Galvanized, H3, 65 ft., 0265 FT-KIPS (50)	Stuart C. Irby	283,900.00	Competitive	6/8
Pole, Steel, Self-Weathering, H1, 50 ft. (108)	Valmont Industries	315,576.00	Competitive	6/8
Pole, Steel, Self-Weathering, H1, 80 ft. (80); H3, 50 ft. (15)	MD Henry Co., Inc. <i>Caucasian, female, large</i>	330,450.00	Competitive	6/8
TOTAL		\$2,274,742.00		

CONTRACTS AND SERVICES

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Concrete Repair Services	Pavement Restorations <i>Caucasian, female, large</i>	\$350,000.00	Competitive (3 Years)	4/11
Electrical Repair Services	Jarrett Electrical LLC	400,000.00	Competitive (5 Years)	1/11
i3-Milestone ePortal Mobile Application	i3-Milestone	256,458.00	Sole Source (1 Year)	N/A
LIDAR Pilot Program	Fugro USA Land, Inc	320,000.00	Sole Source (1 Year)	N/A
TOTAL		\$1,326,458.00		

ADDITIONS, EXTENSIONS, AND CHANGES

<u>Item Description</u>	<u>Contractor</u>	<u>Additional Amount</u>	<u>Change Requested</u>
Central Substation, Duct Bank Installation	Garney Construction	N/A	Extension (6 Months)

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 David Frankenberg, Secretary

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July 23, 2025

EV Forecast and Distribution Grid Impacts Analysis	Energy and Environmental Economics	\$100,000.00	Addition (New NTE \$450,000.00) Extension (1 Year, 17 Days)
Encompass Project Executive	TMG Utility Advisory Services	50,000.00	Addition (New NTE \$2,350,000.00)
Extended Cab Chassis, 56K Tandem Axle, 60' Material Handler Overcenter Aerial Device, New (3)	Altec Industries	257,358.00	Addition (New NTE \$1,227,981.00)
Performance and Professional Development Training	Peak Learning, Inc. <i>Caucasian, male, small</i>	148,000.00	Addition (New NTE \$297,000.00)
Performance and Professional Development Training	YMG Enterprises LLC African American, male, small	21,000.00	Addition (New NTE \$355,000.00)
TOTAL		\$576,358.00	

RATIFIED PURCHASES AND CONTRACTS

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Crossarm, Weathered Steel, 4"x4"x9' (120)	Stuart C. Irby	\$105,000.00	Competitive	3/6
Fuel Pricing Service	Oil Price Information Service	120,000.00	Sole Source (5 Years)	N/A
Ground Rod CW 5/8x8 (4,800)	Wesco Distribution	67,728.00	Competitive (1 Year) Blanket	6/9
Overhead Crane Repair and Inspection	Overhead Crane Conveyor	120,000.00	Competitive (5 Years)	1/5
Pole, Steel, Weathered, H3, 60 ft. (24); H5, 60' (12)	MD Henry Co., Inc. <i>Caucasian, female, large</i>	190,248.00	Competitive	6/8
Pole, Steel, Galvanized, H3, 75 ft. (8)	Valmont Industries	52,640.00	Competitive	6/8
Pole, Steel, Galvanized, H4, 85 ft. (30)	Stuart C. Irby	246,000.00	Competitive	6/8
Pole, Steel, Galvanized, H4, 90' (20)	MD Henry Co., Inc. Caucasian, female, large	173,580.00	Competitive	6/8

Signed by:



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David Frankenberg, Secretary

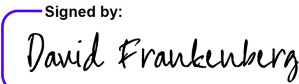
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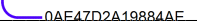
July 23, 2025

Pole, Steel, Galvanized, H5, 60 ft., 0325 FT-KIPS (24)	Stuart C. Irby	137,280.00	Competitive	6/8
Pole, Wood, C1, 50 ft. (143)	Stella-Jones Corp.	91,520.00	Competitive	8/9
Security and Traffic Control	Metro Nashville Police Dept.	150,000.00	Sole Source (1 Year)	N/A
Software and Hardware Maintenance and Support	Itron, Inc.	54,810.70	Sole Source (1 Year)	N/A
Terminator 3 2/0 AT & 4/0 AT Hole (460)	Border States Industries	86,815.80	Competitive Sole Brand	4/7
TOTAL		\$1,595,622.50		

LINE ITEMS

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Overflow Call Center Services	iVox Solutions	\$5,800,000.00	Addition (New NTE \$7,840,000.00)	N/A
TOTAL		\$5,800,000.00		

Signed by:


Attested by: 
David Frankenberg, Secretary

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